

The President has accumulated more foreign debt than the 42 Presidents who preceded him, and this budget is business as usual: borrow money, borrow all of the Social Security trust fund and spend it, in part, on tax breaks for the wealthy.

This budget assumes that we will continue to borrow money to fund yet more tax breaks for the wealthiest among us, despite the Internal Revenue data that came out yesterday showing that their tax breaks benefit those making over \$10 million a year by \$500,000 a year. Should people who work for wages and salaries be forced to pay debt to give tax breaks to people who earn over \$10 million a year? They say yes.

#### RESTORING FISCAL SANITY AND PAYGO

(Mr. DAVIS of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Tennessee. Mr. Speaker, House Republicans claim to be fiscally responsible; and if that is the case, I encourage them to join the Democrats in supporting a policy called pay-as-you-go.

Democrats strongly support the reinstatement of commonsense pay-as-you-go budget rules that would require any increase in mandatory spending and any decreases in revenue be offset elsewhere in the budget so that we don't add to the deficit.

PAYGO rules were adopted on a bipartisan basis in 1990 and then reenacted again in 1997 before Republicans allowed such rules to expire in 2002. PAYGO budget rules are widely credited with producing record budget surpluses between 1998 and 2001.

President Bush and congressional Republicans previously supported PAYGO rules for both spending and taxes, but now oppose the application of such rules to taxes because they would be forced to offset their tax legislation. They seem willing to let the deficit spiral out of control as long as they continue to give and provide tax breaks to the very wealthy.

It is time that the Republicans start thinking about our Nation's future. It is imperative we reject the budget so we can reinstate PAYGO rules that will restore fiscal discipline.

#### REPUBLICANS SELLING OUR COUNTRY AWAY TO FOREIGN NATIONS

(Mr. MEEK of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEEK of Florida. Mr. Speaker, it is an honor again to be here on the House floor to share with the American people what is actually going on here in the Capitol.

I want to share with the American people that President Bush and the Re-

publican majority in just 4 years have borrowed \$1.05 trillion from foreign nations. That is selling our country to other nations because of the spending that is going on. That is more than 42 Presidents before this President and the Republican majority and 224 years.

What does that mean to Americans? What does that mean to our future? Japan holds \$682.8 billion of our debt; China owns \$249.8 billion of our debt; the U.K., \$223.2 billion of our debt; Caribbean nations, \$115.3 billion of our debt; Taiwan, \$71.3 billion of our debt; OPEC nations, \$67.8 billion of our debt; Germany, \$65.7 billion of our debt; Korea, \$66.5 billion of our debt; and Canada, \$53.8 billion of our debt.

Republicans are going to sell this country away to other countries, and I think it is important that we take on fiscal responsibility.

#### REPUBLICAN BUDGET A GIFT TO SPECIAL INTERESTS AND A SLAP IN THE FACE TO THE AMERICAN PEOPLE

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, House Republicans are expected to bring a 2007 budget to the floor this week that they say demonstrates their priorities. Unfortunately, House Republicans once again essentially rubber-stamp the President's budget, refusing to stand up for fiscal discipline and refusing to truly address the needs of everyday Americans.

The Republican budget makes harmful cuts to critical services for working families and uses these cuts to partly pay for new tax cuts, primarily benefiting America's millionaires.

This budget slashes education, training and social services funding; cuts veterans health care and taxes military retirees; cuts homeland security, including port security; squeezes programs for low-wage workers and vulnerable families; slashes environmental protection and conservation funding; and cuts funding for public health programs and medical research.

The wealthiest Americans are doing just fine. They don't need any more help from Washington Republicans. It is America's middle class who have lost out over the last 5 years, and they are not getting help from the Republican budget. We should reject this mean-spirited budget.

#### COMMUNICATION FROM THE HON. JON C. PORTER, MEMBER OF CONGRESS

THE SPEAKER pro tempore (Mr. KOLBE) laid before the House the following communication from the Honorable JON C. PORTER, Member of Congress:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, April 5, 2006.

Hon. J. DENNIS HASTERT,  
Speaker, House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: This is to notify you formally, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a grand jury subpoena for documents issued by the U.S. District Court for the Western District of Pennsylvania.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

Sincerely,

JON C. PORTER,  
Member of Congress.

#### PROVIDING FOR CONSIDERATION OF H. CON. RES. 376, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2007

Mr. PUTNAM. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 766 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 766

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the concurrent resolution (H. Con. Res. 376) establishing the congressional budget for the United States Government for fiscal year 2007 and setting forth appropriate budgetary levels for fiscal years 2008 through 2011. The first reading of the concurrent resolution shall be dispensed with. All points of order against consideration of the concurrent resolution are waived. General debate shall not exceed four hours, with three hours of general debate confined to the congressional budget equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget and one hour of general debate on the subject of economic goals and policies equally divided and controlled by Representative Saxton of New Jersey and Representative Maloney of New York or their designees. After general debate the Committee of the Whole shall rise without motion. No further consideration of the concurrent resolution shall be in order except pursuant to a subsequent order of the House.

□ 1030

Mr. PUTNAM. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. PUTNAM asked and was given permission to revise and extend his remarks.)

Mr. PUTNAM. Mr. Speaker, House Resolution 766 is a rule that provides for general debate of House Concurrent Resolution 376, the bill establishing the congressional budget for the Federal Government for fiscal year 2007, and setting forth the appropriate budgetary levels for fiscal years 2008 through 2011.

As a member of both the Rules Committee and the Budget Committee, I am pleased to bring this resolution to the floor for consideration. This rule provides for 4 hours of general debate, with 3 hours equally divided and controlled by the chairman and ranking member of the Budget Committee, and 1 hour on the subject of economic goals and policies, again equally divided and controlled by Representative SAXTON of New Jersey and Representative MALONEY of New York or their designees.

The rule waives all points of order against consideration of the concurrent resolution, and it provides that after general debate the Committee of the Whole shall rise without motion and no further consideration of the bill shall be in order except by subsequent order of the House.

This rule allows the House to begin consideration of the congressional budget. The budget is an important tool of the Congress, allowing us to establish our priorities for the coming year. I am proud that this budget responds to the Nation's complex challenges with the straightforward principles of strength, spending control, and a continued commitment to reform.

The budget resolution continues policies that have helped to reestablish a strong United States economy. We have included savings for working Americans to the tune of \$228 billion. We extend the 2001 and 2003 tax reforms, preventing what would otherwise be an automatic tax increase from their scheduled expiration. The budget also assumes the extension of other expiring tax provisions, including the alternative minimum tax relief, a House-passed pension bill, and other important economic growth measures.

While working to give Americans back some of their hard-earned dollars and letting them keep more of their hard-earned dollars, we are also working to enact a responsible spending plan that exercises control and restraint. I am proud that once again this House has delivered a budget that practices conscientious spending. Our goal is to stem the ever expanding outflow of Federal dollars.

House Concurrent Resolution 376 has an overall discretionary spending level that is equal to the President's budget request of \$873 billion. It allows for the President's requested 7 percent increase in defense and a 3.8 percent increase for homeland security. As always, the discretion lies with the House Appropriations Committee to determine the final allocation of these funds. This budget essentially freezes nonsecurity discretionary spending, with only a 0.1 percent increase over last year's level, a tenth of a percent. As an additional savings method, the budget caps advance appropriations, spending that is for the year after the budget year.

In the area of mandatory spending, entitlement spending, we provide a

total of \$1.5 trillion. In an effort to control the automatic effusion of dollars, the budget resolution calls for mandatory spending reforms from several committees. These savings, these mandatory spending savings, total \$6.75 billion over 5 years.

This is an important distinction. This is one of the first times in the history of modern budgeting that there has been back-to-back reconciliation instructions in the House budget. Today, over half of Federal spending is essentially on autopilot. Fifty-five percent of Federal expenditures today are going into what is known in budget parlance as mandatory accounts. So all of the discretion that lies within this body and lies within the Senate is not even half of the Federal budget. And within 10 years, if these reconciliation instructions are not implemented, that are embedded in this budget for the second year in a row, then within 10 years it will consume two-thirds of the Federal budget, two-thirds of the Federal budget being on autopilot if we don't implement the reforms that this budget calls for.

Last year was the first year since 1997 that we had made the effort through passage of the Budget Act to get our arms around mandatory spending through reconciliation instructions. This year we do that again. This is an important reform effort. Again, it is one of the few times in modern history where there has been back-to-back reconciliation instructions that allows us to reduce the size of the Federal deficit.

Mr. Speaker, I am pleased that this year the Budget Committee included an emergency reserve fund to help Congress plan for unforeseen costs that may arise in the future. We have set aside \$50 billion toward an expected wartime supplemental, as well as \$4.3 billion for unanticipated emergencies, such as natural disasters, and \$2.3 billion for potential avian flu costs.

As a Congressman from the great State of Florida, I can tell you with a great deal of certainty that the last several years have been very active in the Atlantic hurricane season. We know, without being able to see into the future, we know that somewhere in the next year there is likely to be a hurricane that will make landfall in the United States. Somewhere in the United States this year there will almost certainly be devastating wildfires. Somewhere in the United States in the coming fiscal year there will almost certainly be an earthquake or devastating tornadoes.

Hopefully, we will not have a natural disaster that reaches the catastrophic level that Hurricane Katrina reached. But nevertheless, just like responsible businesses and responsible homeowners who set aside money in their savings accounts for when the hot water heater breaks or when the car needs new tires or when the transmission goes out, the Federal Government, a little bit slowly, but nevertheless has come around

to the notion that we should plan for emergencies, particularly those types of very expensive natural disasters that do frequently strike our shores.

With increased spending control, tax relief, and these important budget reforms, this budget makes a sizable dent in our deficits. Under these policies, the deficit will fall by more than half, from \$521 billion, which is projected in fiscal year 2004, to \$191 billion in fiscal year 2009, which is below the President's planned budget achievements.

I am proud of the work of the Budget Committee this year. I thank Chairman NUSSLE for pushing forward with fiscal discipline and bringing us this excellent budget for our consideration, and I urge Members to support the rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I want to thank my good friend from Florida (Mr. PUTNAM) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

(Mr. MCGOVERN asked and was given permission to revise and extend his remarks.)

Mr. MCGOVERN. Mr. Speaker, we have seen this movie before. Just like last year and the year before that and the year before that, the budget resolution put forward by the House Republican leadership today is an awful piece of legislation. There is no other way to describe it.

It is a budget that hurts American families. It is a budget that continues to create a government without a conscience. It is a budget that punishes the poor and the middle class and rewards the very wealthy and special interests. It is a budget that explodes our Nation's deficit and passes mountains of debt onto our children and grandchildren. It is a budget that deliberately misleads the American people about the cost of our ongoing wars in Iraq and Afghanistan. In short, Mr. Speaker, this is a budget that deserves to be defeated soundly by every Member of this House.

The details speak for themselves. This budget includes a deficit for 2006 of \$372 billion and a deficit for 2007 of \$348 billion. In fact, if this budget is approved, the five largest deficits in the history of the United States of America will have occurred in the past 5 consecutive years, all during the period when the House, the Senate, and the White House are totally under Republican control. What in the world has happened to the party of fiscal discipline? They have become the party of runaway spending and reckless tax giveaways.

Even worse than this unchecked spending binge is the Republican leadership's deliberate misleading of the American people. We are at war, Mr. Speaker, and every day our brave soldiers patrol the most remote areas of Afghanistan and the most dangerous neighborhoods in Iraq. Every day the American people learn of more roadside bombings, insurgent attacks, and

death in Iraq. Every day the Iraqis seem more and more unable to form a functioning government, and every day Iraq slips further and further into chaos and civil war. And every day our credibility around the world gets lower and lower. And every day our Nation sinks deeper and deeper into a violent quagmire.

But with all of this, Mr. Speaker, how do you explain only \$50 billion in funding for the wars in Iraq and Afghanistan for fiscal year 2007, and after that no funding at all? Now, if the Republicans actually carry out what they are promising in this budget, the United States won't be spending a penny in Iraq or Afghanistan after 2007. Maybe they have miraculously stumbled upon an exit strategy, which would be just fine with me. But last year, the United States spent over \$100 billion on the wars in Iraq and Afghanistan, and all told we have spent \$357 billion over the past 4 years on fighting these wars.

President Bush recently announced that the American troops will be in Iraq until at least 2009. The truth, of course, is that the Bush administration will be back before we know it asking for tens, if not hundreds of billions of dollars more in so-called emergency funding to pay for their failed foreign policy. But then, Mr. Speaker, why should we expect the Republicans in Washington to start telling the truth about Iraq now, given the fact we have been lied to, deceived, and misled from day one.

What will happen is that the Republican leadership will write a blank check without asking the tough questions, without demanding the straight answers, and without conducting the kind of oversight that is our responsibility as Members of Congress.

And while we are on the subject of war and its aftermath, Mr. Speaker, let us examine how this budget handles our veterans. Now, my Republican colleagues will pat themselves on the back and crow about how they have increased funding for veterans in fiscal year 2007, but once again the devil is in the details. The truth is that over the next 5 years, the Republicans actually cut the same funding by a total of \$4 billion.

Do they think our current and future veterans are just going to fade away? Talk about cutting and running. At a time when America is creating hundreds, if not thousands of new veterans, and when thousands of those veterans are going to need significant health care support for the rest of their lives because of their service in Iraq and Afghanistan, it is shameful that the Republicans in Washington are blatantly ignoring our veterans. Sending our brave servicemen and women to war without providing for their care when they return is not an American value.

Let me say to my colleagues on the other side of the aisle, if you are going to send our servicemen and women into war, you have an obligation to them, a

moral obligation to them that when they return home as veterans that they will be cared for. To do otherwise is to disrespect their service. And that is what this budget does. How does anyone in this Chamber vote for this budget and then go back to their districts, look their veterans in the eye and say with a straight face that we have done our best for you? You can't.

The list of misplaced priorities in this budget, Mr. Speaker, goes on and on. This budget slashes critical programs in the areas of education, job training, environmental protection and conservation funding, public health programs, medical research, and social services. It fails our responsibility to protect America by allowing \$6.2 billion worth of cuts to homeland security programs.

And where is the money for port security? Didn't my Republican friends say that they were concerned about our ports when joining with Democrats in opposing the President's selling of our port security to the United Arab Emirates?

□ 1045

Maybe I need new bifocals, but I cannot find the necessary funding to make our ports secure in this budget.

This budget cuts programs that helps low-wage workers and vulnerable families. In fact, the Republican leadership cuts into these programs even more deeply than President Bush's proposal.

To top it all off with a Nation at war, with desperate priorities that need to be met, with veterans who need our help and the gulf coast still devastated from last year's hurricanes, the Republican leadership still has the audacity to give the wealthiest Americans \$228 billion in new tax cuts while passing the cost of those tax cuts onto our children. It just takes my breath away.

My friends on the other side of the aisle will say this budget reflects necessary tough choices. My question, however, is this: Why do all of the tough choices hurt average families? Why don't some of the tough choices include forgoing tax cuts for wealthy people or ending subsidies in tax breaks for oil companies that are gouging families at the pump, or no more giveaways to pharmaceutical companies until they provide cheaper drugs for our citizens? Why is it all of the Republican tough choices spell tough choices for working families, senior citizens, students, veterans and the most vulnerable?

Mr. Speaker, there is a better way. Democrats have a plan that works, a plan that reestablishes fiscal discipline by implementing a pay-as-you-go strategy, a plan that provides our veterans over \$8 billion more in assistance than the Republican budget, a plan that balances the budget by 2012, a plan that properly funds our domestic priorities including homeland security, a plan that gives our veterans the care and the respect they deserve, and a plan that provides fiscally responsible tax

relief to millions of hardworking middle-class Americans.

What the Republicans have proposed today is out of step with the American people. Indeed, it is way out of the mainstream. This is a budget that reflects a heart of stone. I can only say to my colleagues on both sides of the aisle that the day has come for a new direction, a new set of priorities, a new commitment to the American people. The day has come for us to recreate a government with a conscience.

Mr. Speaker, I reserve the balance of my time.

Mr. PUTNAM. Mr. Speaker, it is always fun to have these debates. We ought to at least start out with our facts straight, though. For the last 10 years, spending per veteran under Republican leadership has doubled. In the last 10 years, spending budget authority for veterans medical care nearly doubled going from \$16.2 billion to \$31 billion.

Facts are stubborn things, my friend.

Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. MCHENRY).

Mr. MCHENRY. Mr. Speaker, I thank the gentleman from Florida, the elder statesman, Mr. PUTNAM, and I as a Member of the House can say that to my good friend, Mr. PUTNAM.

Today I want to quote from the ranking member on the Budget Committee: "A budget is a statement of moral choices, and this budget makes the wrong choices, cutting education, Medicare and Medicaid and barely funding the bold initiatives that the President set out in his State of the Union. Its greatest moral fault is that it leaves our children a legacy of debt and an even heavier burden to bear as the baby boomers begin to retire." That is from the gentleman from South Carolina (Mr. SPRATT), the ranking member on the House Budget Committee.

The fault in his quote there, Mr. Speaker, is that we are not cutting education. We are not cutting Medicare. We are not cutting Medicaid. These things are absolutely off base. What our budget does say to the American people, these are our moral choices so Congressman SPRATT should be commended for saying that a budget is a moral choice, and I agree with that.

But what we do with this budget is say boldly that we will set out the fences around which government spending should be held within. That is a positive thing.

I ask my colleagues on the left wing of this body, the Democrats and the liberals here, to come and support this budget because what we are saying is our children should not be left with a legacy of debt. We need to control wasteful government spending.

What this rule provides for in this budget document is a restraint of spending. It does not hurt people. It takes out and gives the opportunity for the policy-making committees of this

House and the appropriating committees of this House to reform much-needed government services and programs.

I ask my colleagues to join with us in supporting this rule to provide for a reasonable debate and reasonable amendments to this budget document that will constrain spending and provide for priorities for all Americans.

Mr. MCGOVERN. Mr. Speaker, let me just respond to the gentleman from Florida (Mr. PUTNAM). Facts are indeed a stubborn thing. The fact is that this budget that the Republicans have put forward cuts funding for veterans. Over 5 years, the budget cuts funding for veterans health care by \$6 billion below current services.

Republicans will tout the fact that the budget raises discretionary spending for 2007 by some \$2.6 billion, but these apparent gains are quickly reversed with a cut for 2008 of \$59 million below current services, and cuts of increasing amounts in subsequent years culminating in a cut of \$4 billion for 2011.

One other fact: a couple years ago, the VA itself testified it needed a 13 to 14 percent increase each year to maintain what it is doing. This budget in no way reflects what this Veterans Administration has said.

So facts are a stubborn thing. This budget is not good for veterans.

Mr. Speaker, I yield 4 minutes to the gentlewoman from California (Ms. MATSUI), my colleague on the Rules Committee.

(Ms. MATSUI asked and was given permission to revise and extend her remarks.)

Ms. MATSUI. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in opposition to the budget resolution. The impact this budget will have on families demonstrates how misguided it really is. Our Nation has had a long-standing commitment to investing in medical research. We all know someone, a friend or a relative, who has fought breast cancer. Each one is an inspiration as they exhibit a reservoir of strength and perseverance.

This is an issue that is very close to me as members of my family have been diagnosed with the dreadful disease.

When I am home in Sacramento, I make it a priority to meet with survivors. As each woman shares her personal battle with me, the one thing they all reiterate is how appreciative they are that research and technology exists to help them win their fight with cancer, and they ask me to express their appreciation to my colleagues for their continued support of the medical research programs that have driven the development of life-saving techniques and technology.

One example is innovative advances that the UC Davis Cancer Center located in my district has made. Last year, its researchers discovered a new method to improve early detection of

breast cancer. As that group of survivors has emphasized, early detection is essential to surviving breast cancer.

Tragically, this budget underfunds critical medical research. As a result, dynamic institutions like the UC Davis Cancer Center will not have access to the same level of Federal resources as they did in last year's budget.

What do you tell the children or the spouse of a woman who may have benefited from additional cancer research, but will not now because of this budget?

The fact is this budget chooses tax cuts for the very, very, very wealthiest instead of investing in medical research. This is a choice that Congress is making.

We need a budget that makes sense for America's families. I think about my 2½-year-old granddaughter, Anna. It is Congress' responsibility to invest the resources today so that Anna and her friends have at least the same opportunities that you and I have had. To accomplish this goal, we must devote long-term resources to health care, education, and scientific discovery. Yet with this budget, we are reducing our capability in these areas while continuing to run a massive deficit. So not only are we not investing in Anna and her friends, but we are passing our debt to them.

Congress cannot continue to run this government in the same selfish, short-sighted manner that we have over the past 5 years. Congress risks breaking America's foundation of opportunity and prosperity and imperiling the quality of life for our children and our grandchildren.

When we talk about the quality of life, that means your grandchildren and those of you who may hope for grandchildren. They may not have access to world-class education. It means that the Annas of our country may not benefit from the world's best health care system or be a part of the most innovative and productive economy. It means that citizens of the United States may look at foreign countries and see people who have better opportunities and better lives.

I urge my colleagues to oppose this budget and vote in favor of Mr. SPRATT's alternative.

Mr. PUTNAM. Mr. Speaker, I think the gentlewoman raises an important point about the need for us to continue to invest in research and development, in health care initiatives that allow us to remain a Nation on the cutting edge of technology both in biosciences, basic research, and the whole gamut of diseases and disorders that afflict the human condition.

This majority takes a back seat to no one on investments in health. The National Institutes of Health are pre-eminent research institutions run by this Federal Government that are making great strides against cancer, against juvenile diabetes, against HIV/AIDS, against a whole host of orphan diseases and disorders that only afflict

a small number of Americans, but nevertheless in a huge, huge way to that individual family.

Since 1998, NIH funding, because of the investments that this majority has made, has more than doubled. More than doubled since 1998. Funding in 1998 was at \$13.5 billion. Today this Nation invests nearly \$28.5 billion in the National Institutes of Health.

We take a back seat to no one in recognizing that it is fundamentally important that America remain on the cutting edge of innovation, that it is fundamentally important that we continue to produce graduates in the health sciences, in engineering, in mathematics to keep us on that cutting edge. We take a back seat to no one in recognizing that it is important to have in place economic policies, tax policies that encourage people to make those investments in this country instead of in other countries; that we have in place incentives to people to add new lines of scientists at their workbenches and their laboratories in Silicon Valley, California, or at the CDC in Atlanta.

We recognize it is important to have a growing economy that allows us the luxury of being able to invest in research that may not bear fruit for decades to come. And we take a back seat to no one in the commitment we have made for the last dozen years in funding the National Institutes of Health.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I have here a letter from the major Jewish community service providers in our country, and they ask all of us to oppose this Republican budget resolution because it will force, in their view, harmful cuts in education, health care, nutrition, housing and other services critical for children, families, seniors, and people with disabilities.

I ask my colleagues to listen to the plea of these faith-based groups.

APRIL 5, 2006  
DEAR REPRESENTATIVE: The Jewish community has long demonstrated a commitment to economic and social justice. We have been vigorous in advocating policies and programs to fight poverty and to help address the needs of disenfranchised vulnerable populations, including the elderly, working poor, disabled, youth, and refugees.

The budget process is one of the most important actions taken by our government each year and is an integral part of allocating funds for important human needs programs. While we recognize that deficit reduction is critical to the economic stability of our country, we believe it is essential that it be done in a fair and balanced manner. Over the past months we have spoken out against cuts that we believed would disproportionately hurt those in most need.

The budget plan passed out of the House Budget Committee would make huge cuts to domestic discretionary programs. These cuts would be extremely harmful both to our social service agencies that are dependent on public funding as well as the vulnerable populations we advocate on behalf of. Programs such as the Older Americans Act, the Social Services Block Grant, the Community Services Block Grant, and the Low Income Heating Energy Assistance Program are critical

to the elderly, refugees, children, and persons with disabilities, and all would likely face severe cuts if this budget proposal is enacted.

We believe that budgets are documents which reflect the values and priorities of those who create them. With the increase in hunger in American households; housing costs rising faster than wages; and more than 45 million Americans lacking adequate health care coverage, funding for social services to assist these individuals is more critical than ever. This budget does not accurately reflect our values.

As you consider the Budget this week, we ask you to oppose this Resolution that will force harmful cuts in education, health care, nutrition, housing, and other services that are critical for children, families, seniors, and people with disabilities.

Sincerely,

Association of Jewish Aging Services of North America.

Association of Jewish Family and Children's Agencies.

B'nai B'rith International.

Hebrew Immigrant Aid Society.

International Association of Jewish Vocational Services.

Jewish Council for Public Affairs.

Jewish Labor Committee.

Jewish War Veterans of the USA.

National Council of Jewish Women.

Union for Reform Judaism.

United Jewish Communities.

Women of Reform Judaism.

Women's American ORT.

Mr. Speaker, I yield 4 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, later today the Committee on Rules will decide what modifications to the budget bill Congress may consider. In the spirit of the remarks of the gentleman from Florida (Mr. PUTNAM) with respect to how we need to concentrate on research, I want to offer these remarks. I hope that the Rules Committee does not deny this House the opportunity to correct the mistreatment of the National Aeronautics and Space Administration which is occurring in this budget.

□ 1100

I am not as optimistic about this rule, so I rise to draw Members' attention to the underlying issue. NASA's contributions in the field of research, in the field of aeronautics to this Nation and the world are profound. From surveillance systems that monitor aircraft flight paths to the development of secure communications systems, NASA's research has been instrumental in improving our national security.

NASA's research and NASA's aeronautics programs have also contributed substantially to the Nation's economy. Civil aeronautics is the major contributor to this sector's positive balance of trade, more than any other industry. We have a positive balance of trade in aeronautics, and we can attribute that directly to the work of research and development at the National Aeronautics and Space Administration, and this enables a new generation of service based industries, like e-commerce to flourish by performing the research that leads to inexpensive and reliable flights.

Congress recognizes the value of aeronautics, which is why it restored cuts that were proposed in the administration's fiscal year 2006 budget. Once in the CCJS appropriations bill, and again in the NASA reauthorization bill, Congress protected aeronautics with strong bipartisan support bringing funding back to fiscal year 2005 levels. And I am proud to have played a role in that and working with my colleagues on both sides of the aisle in focusing in on the necessity of protecting our ability to do basic research and research which leads to developments in aeronautics.

Now, in spite of this, this administration is proposing an even bigger aeronautics cut, \$179 million, or 25 percent of the aeronautics budget they are trying to cut. I mean, if this was farming, it would be like throwing away your seed corn.

This shortfall is a direct result of the administration's consistent and inexplicable failure to fund the very vision for space exploration that it launched. Now, in order to keep this vision alive, NASA is forced to take the money from other essential programs like aeronautics.

About a month ago our colleagues in the Senate passed a budget amendment with four Republican cosponsors that increased funding for aeronautics at fiscal year 2005 levels. I tried to introduce the same amendment with bipartisan support, but it has not been approved by the Rules Committee. We cannot afford to stand by and watch the erosion of research of aeronautics and the erosion of these NASA programs that are connected. If the Rules Committee produces a rule that lets Congress have the ability to focus on protecting NASA's aeronautics research, then we ought to support the rule.

However, if the Rules Committee denies Congress the ability to debate the mistreatment of NASA, then I will ask that we vote "no." And later, at the appropriate time, I will ask my colleagues to urge conferees to agree with the Senate's position on the National Aeronautics and Space Administration. This is about our ability to grow America's future, and vitally connected to that is the work of the National Aeronautics and Space Administration. And let's not forget national aeronautics, aeronautics, aeronautics, research, research, research. Fund it.

Mr. PUTNAM. Mr. Speaker, my colleagues join me in complimenting your selection of neckwear this morning.

I yield 3 minutes to the gentleman from California (Mr. CAMPBELL), one of our newer members of the Budget Committee and a CPA.

Mr. CAMPBELL of California. Mr. Speaker, I have to say the course of this budget debate is somewhat perplexing. My friends on the other side of the aisle here, the Democrats, are consistently railing about the deficit and the evils of the deficit and how bad the deficit is and how big the deficit is, and

I confess that I concur. I have problems with this deficit and that we ought to be reducing this deficit.

But it seems like their solution to reducing the deficit is to spend more money. My friends, this is like saying that we have a boat and our boat is sinking, and the way to fix the boat is to punch holes in the bottom of it.

Spending more money does not reduce the deficit. You don't need to be a CPA to know that. You only need second grade math to know that. Spending more money does not reduce the deficit. In the Budget Committee the vast majority of the amendments to the budget offered by the Democrat side were amendments that spent more money.

Now, to be fair, they do propose to close the deficit by raising taxes, and that is their argument and their proposal. But they claim that the tax rate cuts, and I want to point out that they were tax rate cuts, that happened in 2003 have increased the deficit. Except, since those tax rate cuts went into place, the income to the Federal Government, the revenue coming into the Federal Government has increased by an average of nearly 7 percent a year because tax rate cuts stimulate the economy, and tax rate cuts, these particular tax rate cuts, allowed capital to move to where it is best used and it resulted in more revenue. So you can't say that tax rate cuts have worsened the deficit when the revenue has gone up by higher than historic averages since the rates were cut.

Now, this budget that is before us increases spending. That is another thing. You are hearing about all the cuts in this budget and, sure, some things go up and some things go down. But overall it increases spending by 3½ percent. My friends, that is not a cut. An increase of 3½ percent is not a cut.

It spends \$2.7 trillion. That ought to be enough to make things work around here, you would think. And it reduces the deficit because the revenue by this stimulated increased economy will go up by more than that 3½ percent.

So this budget does not cut spending. It increases it. It does not increase the deficit. It reduces it. And it does not raise taxes. It maintains the stimulative tax policy that currently exists in our economy.

Mr. McGOVERN. Mr. Speaker, I appreciate the gentleman from California's comments. But I will tell you, most CPAs that fudge the numbers in real life go to jail. And the fact of the matter is in this budget, the numbers are fudged.

\$50 billion for Iraq for the next 5 years? Give me a break. You know what is going on. You know what is going on. The bottom line is you are going to be coming back and back and back for more and more money.

Look, the gentleman raised the Democratic budget proposal. Well, let me just elaborate a little bit and suggest that he read it. The Democratic budget proposal would return the budget to balance. We reach balance by the

year 2012, and we also have smaller deficits than the Republican budget and accumulate less debt.

By contrast, the Republican budget never returns to balance and even refuses to show how big the deficit will be after 2011. Our proposal includes fiscally responsible budget enforcement rules. The Democratic budget backs the two-sided pay-as-you-go budget enforcement rule that requires that the cost of any new mandatory spending or revenue legislation be fully offset.

This is the way families operate. They pay as they go. They can't accumulate the debt that you have accumulated. There is no way that families could operate the way the Republican majority has operated here.

During the 1990s, the two-sided PAYGO rules played a critical role in turning record deficits into record surpluses. Do you remember those days?

The Democratic budget also requires a separate vote to increase the debt limit. You used to be concerned about that, but no longer. Now we sneak the increase in the debt limit through without having to put Members on record, and it prohibits using fast track reconciliation procedures to make the deficit even worse.

We invest in education, and we keep our commitment to veterans. I mean, to me one of the most egregious elements of the budget that the Republicans have proposed is that you turn your back on America's veterans. We have sent them to war. There will be more veterans in the future, not less, and you did not put aside the adequate funding to make sure that these men and women who have served our country with great honor get the respect that they have earned and that they deserve.

Mr. Speaker, I reserve the balance of my time.

Mr. PUTNAM. Mr. Speaker, I would remind the gentleman of two points. First, spending per veteran and spending for veterans' medical care both have nearly doubled in the last 10 years. I remind the gentleman of that.

Second point, with regard to the procedure around here for changing the debt limit, it is known as the Gephardt rule. The process for adjusting the debt limit was put in place when your team was in charge. So the gentleman takes issue with a process that was invented by his team.

I am pleased to yield 2 minutes to the gentleman from North Carolina (Mr. MCHENRY).

Mr. MCHENRY. Mr. Speaker, I want to say that this Democrat budget alternative is laughable in the extreme. They want to balance the budget on the backs of the taxpayers. They want every American citizen to pay more in taxes next year than they did this year, and they call that rolling back the Bush tax cuts. That is a tax increase, and that is how they want to balance the budget.

On top of that, they don't want to eliminate wasteful government pro-

grams. They don't want to look at government programs that have long outlived their usefulness and effectiveness for people. They just want to keep spending, and they want more money for Washington, more money for Washington bureaucrats, more money for Washington government programs. And they do that, and they nod and wink and laugh to themselves that they are balancing the budget. Right.

What we have done, what this Republican Congress has done through President Bush's tax cuts, through the stimulus to the economy, is we have let people keep more of what they earn. And by keeping more of what they earn, they spend, they employ people, the economy grows. And when the economy grows, Mr. Speaker, tax revenues increase with economic growth. With tax increases it stifles economic growth, and in the end the Treasury doesn't net out as much as it would with pro-growth tax policies.

Just this year, Mr. Speaker, tax receipts have gone up 15 percent. Yet the Democrats want more money for Washington bureaucratic programs. Then they scream and hem and haw that we are cutting. We are not cutting, Mr. Speaker. And as a conservative, I believe we should cut. But I think this is a reasonable budget, a reasonable budget that funds much needed national defense and homeland security programs while freezing government spending in other areas. That is not a cut, Mr. Speaker.

Mr. MCGOVERN. Mr. Speaker, I want to go back to the issue of veterans funding again. The gentleman from Florida keeps on bragging about how the Republicans have been so good to our veterans and have increased dramatically veterans funding over the last decade.

First of all, let me just say that I don't know of a single Member of Congress who have gone back to their districts and heard from veterans and people who work in VA facilities and other veterans health benefit facilities that somehow, boy, you have given us all we need. We don't need any more. What you have handed us is enough to meet the demand. I mean, in fact, what you hear is the opposite. And I am going to just say one thing to the gentleman. Over the past 10 years, all this bragging he is doing about increasing the veterans budget, from 1996 to the year 2000, the number of unique patients increased by \$2.4 million. And on a per capita basis, veterans health care funding increases average only 0.1 percent per year, a level well below inflation for medical care.

So we are not meeting the current needs of our veterans, and in this budget there is no way we are going to meet the future needs of our veterans when we are creating more veterans because of the wars in Afghanistan and Iraq. Our policies in Iraq and Afghanistan are creating thousands of new veterans. That is an undeniable fact. Thousands of these men and women

have been severely injured, and most will need medical services and benefits for the rest of their lives. And even without the influx of this new generation of veterans, the fiscal year 2006 and fiscal year 2007 spending for the VA doesn't even meet the health care needs of our current number of veterans and military retirees. According to every major veterans organization in the country, we are still about \$1 billion short each year. But the Republican budget before us actually decreases the discretionary funding for VA benefits and services each and every year over the next 5 years. So FY 2011, just 5 years away, is actually \$4 billion less than FY 2006. That is their budget.

So I ask, is this how we honor our troops? Is this how we support them when they come home? I hope not. And I would urge my colleagues to vote "no" on this.

I reserve the balance of my time.

Mr. PUTNAM. Mr. Speaker, I am happy to respond to the gentleman's concerns about funding for veterans, and I would remind him again that since 1995 veterans medical care spending has increased from \$16 billion to more than \$31 billion, an increase of 92 percent. The funding increase for next year, over this one, year-to-year increase is nearly 4 percent, a substantial jump, especially relative to other discretionary programs who will see a tenth of a point cut.

□ 1115

They are getting a 4 percent increase.

We recognize the sacrifices that veterans make. We recognize our lifelong commitment to them for the sacrifices that they have made and continue to make. This budget builds on that strong foundation. It accommodates general veterans funding at \$75 billion, and it is \$800 million above even what the President requested. This Congress is meeting the needs of America's veterans. In addition to increasing over the President's request, it does not increase the fees that were called for in his request.

Frequently on this floor we get sucked into these debates based on what the President's proposal is, and that is not the document that we are debating here this morning. This is the House budget. In fact, in the budget markup, we had an opportunity to vote on the President's budget, and we chose to go a different path with the document that this House is producing.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I want to thank the gentleman for his comments. Again, I would simply say that the spending he is bragging about for the last 10 years didn't even keep up with inflation.

But putting that aside, let's talk about the next 5 years. Let's talk about your budget, the budget you have. I have got the numbers here. In fiscal year 2007, it goes up by \$2.6 billion.



Then in fiscal year 2008, you go down by \$100 billion. In fiscal year 2009, you go down by \$1.4 billion. And in fiscal year 2010, you go down by \$3.1 billion. And then in fiscal 2011, you go down by \$4 billion.

And I would just remind the gentleman, maybe he has not been reading the newspapers lately, but we are at war in Afghanistan and Iraq. Thousands of new veterans are going to come into this system. And your budget shortchanges not only them, it doesn't even meet the needs of the current veterans. So from the veterans' perspective, this budget is deeply flawed. I think it shows a disrespect for the service of those men and women whom we have sent over to fight for our country. We owe them more than this.

And I would urge my colleagues if you want to support veterans, this is not the way to do it. This is the place you take a stand. You say no to this budget, send them back, and let them do what is right by our veterans. There is no way we should be shortchanging our veterans, and this budget does that.

Mr. Speaker, I would at this time like to submit into the RECORD a letter from the Interreligious Working Group on Domestic Human Needs, representing the major Protestant and Catholic churches and faith organizations. They state that "as communities of faith . . . we are called upon to hold ourselves and our communities accountable to the moral standard of our Biblical tradition. We speak together now to express our concern about our national priorities." The letter is called a "Faith Reflection on the Federal Budget," and it opposes what is before us today.

INTERRELIGIOUS WORKING GROUP ON DOMESTIC HUMAN NEEDS

A FAITH REFLECTION ON THE FEDERAL BUDGET

As communities of faith, we are grounded in a shared tradition of justice and compassion, and we are called upon to hold ourselves and our communities accountable to the moral standard of our Biblical tradition. We speak together now to express our concern about our national priorities.

In the year that has passed since this reflection was originally written, this concern has deepened as we have watched poverty, food insecurity, and the number of people without health insurance climb for the fourth year in a row. Across the country, churches and faith-based organizations who care for our most vulnerable people are straining under increased demand for services due to cuts in federal funding for critical safety net programs. Devastating hurricanes have underscored real problems of racism and inequality in our country and along the Gulf Coast, and scattered throughout the country survivors are struggling to provide for their families while waiting for the bold action that has yet to materialize from our national leaders.

These circumstances make it necessary to even more closely examine our government's decisions, particularly those concerning the budget, through a moral lens. The federal budget remains a fundamental statement of who we are as a nation. The choices we make about how we generate revenues and spend

our shared resources reveal our true allegiance. As people of faith we must continue to ask: Do these choices uphold values that will strengthen our life together as a nation and as part of the global community?

We offer this reflection as a starting point for such a dialogue and to make clear the values to which we hold ourselves and our nation accountable.

*Community and the common good*

"But seek the welfare of the city where I have sent you . . . and pray to the Lord on its behalf, for in its welfare you will have your welfare" (Jeremiah 29:7, NRSV).

Our nation's well-being is dependent on the well-being of all its members. In order to form a more perfect union, the preamble to the U.S. Constitution commits this nation to promoting the general welfare. In faith language we would call that the "common good." The budget should reflect a commitment to the common good by ensuring that the basic needs of all members of society are met. At this time, when Gulf Coast communities are still struggling to recover from last year's hurricanes, when nearly 46 million Americans are uninsured, 37 million live in poverty and one in five children lives in a household experiencing food insecurity, additional cuts to critical human needs programs cannot be justified.

Investments in education, job training, work supports, health care, housing, food assistance and environmental protection strengthen families and communities and promote opportunity for all. These should be budget priorities.

Budget decisions must be evaluated not just in the short term, but with respect to their long-term effects on our children's children, the global community and on all of creation.

*Concern for those who are poor and vulnerable*

"Give the king your justice, O God . . . May he judge your people with righteousness, and your poor with justice . . . May he defend the cause of the poor of the people and give deliverance to the needy (Psalm 72: 1-4, NRSV).

As a nation we have a special responsibility to care for the most vulnerable members of society. All budget decisions and administrative procedures must be judged by their impact on children, low-income families, the elderly, people with disabilities and other vulnerable populations.

Whatever one's position on the war in Iraq or on the tax cuts, these policies are driving the deficit. Attempting to pay off the deficit by cutting programs that affect needy populations, when these programs did not lead to the deficit, is unjust.

*Economic justice*

"Woe to those who make unjust laws, to those who issue oppressive decrees, to deprive the poor of their rights and withhold justice from the oppressed of my people" (Isaiah 10:1-2, NIV).

God has created a world of sufficiency for all; the problem is not the lack of natural and economic resources, but how they are shared, distributed and made accessible within society and throughout the world.

Our government should be a tool to correct inequalities, not a means of institutionalizing them. The federal budget should share the burdens of taxation, according to one's ability to pay, and distribute government resources fairly to create opportunity for all.

*Endorsing organizations*

National: American Baptist Churches USA; American Friends Service Committee; Bread for the World; Call to Renewal; Central Conference of American Rabbis; Church of the Brethren Witness/Washington Office; Church Women United; Conference of Major Superi-

ors of Men; The Episcopal Church; Evangelical Lutheran Church in America; Friends Committee on National Legislation; Institute Justice Team—Sisters of Mercy of the Americas; Jesuit Conference USA; Jewish Council for Public Affairs.

Leadership Conference of Women Religious; Maryknoll Office for Global Concerns; Mennonite Central Committee U.S. Washington Office; National Advocacy Center of the Sisters of the Good Shepherd; National Council of Churches of Christ in the USA; NCCC Justice for Women Working Group; NETWORK, A National Catholic Social Justice Lobby; Pax Christi USA; Presbyterian Church (U.S.A.) Washington Office; Union for Reform Judaism; Unitarian Universalist Association of Congregations; United Church of Christ Justice & Witness Ministries; The United Methodist Church—General Board of Church and Society; Women of Reform Judaism.

State and Local: Arizona—Lutheran Advocacy Ministry in Arizona. California—Lutheran Office of Public Policy—California; Pacific Central West Region of Union for Reform Judaism; Sisters of the Good Shepherd, San Francisco. Colorado—Lutheran Advocacy Ministry—Colorado. Delaware—Lutheran Office on Public Policy, Delaware. Florida—Union for Reform Judaism—Southeast Council. Illinois—Lutheran Network for Justice Advocacy; Lutheran Social Services of Illinois; Protestants for the Common Good. Minnesota—Institute for Welcoming Resources; Minnesota Council of Churches. Missouri—Sisters of the Good Shepherd—St. Louis, MO.

New Jersey—Church and Society Committee, Sparta United Methodist Church (Sparta, NJ); The Crisis Ministry of Princeton and Trenton; Family Promise; Lutheran Office of Governmental Ministry in New Jersey; Union for Reform Judaism, New Jersey—West Hudson Valley Council. New Mexico—ELCA-Lutheran Office of Governmental Ministry—New Mexico. Ohio—Union for Reform Judaism, Northeast Lakes Council/Detroit Federation. Pennsylvania—Roots of Promise/Thomas Merton Center; Social Action Committee at the Lutheran Theological Seminary in Gettysburg. Washington—Washington Association of Churches; Lutheran Public Policy Office of Washington State. Wisconsin—Lutheran Office for Public Policy in Wisconsin.

Mr. Speaker, I reserve the balance of my time.

Mr. PUTNAM. Mr. Speaker, perhaps in the gentleman's stack of letters that we are entering into the RECORD, he could find the thank you notes from the veterans who thank us for finally, after decades of inactivity under the previous leadership, acting on concurrent receipts giving veterans what they need; doubling funding for veterans in 10 years; a 4 percent increase next year over this.

We budget year to year, and the gentleman knows it. Every year this majority has come through for our veterans. Every year we have been there, and we will continue to be there for America's veterans.

Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Texas (Mr. SESSIONS), my good friend from the Rules Committee and the Budget Committee.

Mr. SESSIONS. Mr. Speaker, I thank the gentleman, my friend from Florida and the Rules Committee, Mr. PUTNAM, the chairman of our policy committee

here in the House Republican Conference.

Mr. Speaker, I rise today in strong support of the rule for this budget resolution, which strikes a delicate balance between fully funding our priorities and exercising restraint of spending.

Mr. Speaker, already we have heard the debate and the dialogue here. I have known this a long time. Every Member of Congress understands this: needs outpace resources. It has always been that way. That is why we have a Budget Committee. That is why we have Mr. PUTNAM here on the floor today and other Members who are going to say, golly, we could spend as much money as we really wanted if we could come to some resolution of how much was enough. But the fact of the matter is that the insatiable appetites that continue to be fed in this House and in this government for more and more and more spending will not be ever satisfied; so we have to strike that balance.

We know that we have had devastating challenges that have faced this country, terrorists attacks of 9/11, Hurricanes Katrina and Rita, and yet our economy has demonstrated strength and resiliency. It is Republicans who come to the floor of the House of Representatives in the majority and every year defend what we do. And, Mr. Speaker, I want to tell you that I am proud of what we did last year for this year and what we are doing proudly to make sure next year will work properly, we are doing this year.

This last year our economy grew at an impressive rate of 3.5 percent. The greatest, most vibrant economy that is in the world that we know today from a G-8 country. This was no accident, but it came as the direct result of Congress's planning, planning for growth and tax relief, planning for giving Americans more of their own money, and planning to make sure that we had investment that was made here in America.

Since comprehensive tax relief was passed in 2003, 5 million new jobs have been created. At just 4.8 percent, the unemployment rate remains at the historically low figure, below the averages of the 1970s, the 1980s, and the 1990s. This rapid economic growth has also generated rapid Federal tax growth.

We are pro-growth Republicans. We do not want to run a deficit. But we must make sure that we look at both sides of the equation, that is, growing the economy as well as being careful by what we spend.

Treasury figures show our booming tax receipts grew by 14.5 percent in 2005, the fastest pace in 25 years. However, on the flip side, Mr. Speaker, since 2001 our government has expanded in spending by 45 percent. We are saying with last year's budget this spending spree has got to end. And that is what we did last year for this year and what we are going to do this year for next year.

JIM NUSSLE, the chairman of the Budget Committee, has led this House to an important conclusion, and that is what Mr. PUTNAM is here selling to the Members today, and that is we are not about politics in this budget. It is about structure. It is about saying how much money we are going to make available and then we are going to let other important committees, our appropriators, be able to understand where the present needs are, and then we are going to give them the authority to go and spend the money based on priorities.

This is the right way to run the railroad, Mr. Speaker. This is the right way to do things. But we must have the responsibility by passing a responsible bill, or this House will fall to the whims of every single person who wants their own special project to be passed. Spending will be out of control.

So I urge my colleagues to recognize and understand that the process that the Budget Committee has been going through has been very important, and it has produced a winner. It has produced the ability that we have in a framework to put the needs and priorities into balance for this United States Congress.

Mr. Speaker, I am proud of what we have done. I am proud of what Mr. PUTNAM supports today. I urge my colleagues to support this rule and the budget.

Mr. MCGOVERN. Mr. Speaker, let me just respond to the gentleman from Texas, my colleague on the Rules Committee. He says he is proud of this budget. Quite frankly, I am ashamed that this budget is coming out of this Congress with the cuts that are contained in this budget that I think are going to hurt working families and also be devastating for our veterans.

I want to point out to my colleagues on the other side that in 1995 the VA treated 2.6 million people. Last year it was 5.4 million people. And that number is going to go up and up and up. And yet in this budget, we see over the next few years a \$4 billion cut. That to me makes absolutely no sense. We know that the demand on the VA is going to become greater and greater, and yet we are deliberately short-changing veterans health and veterans benefits. We know what the future is going to hold, but we are fudging the numbers here. I think that that is not only irresponsible but, Mr. Speaker, it is dishonest.

The gentleman from Texas talked about planning. Well, boy, the planning that the Republicans have done here has just led to such great success. We have the biggest deficits in the history of the United States of America. Boy, that is great planning. More of our debt is owned by foreign countries than at any other time in our history. I don't know too many people who feel good about that.

Your planning has done such a great job that, quite frankly, it is pushing our country towards bankruptcy.

And he talked about the insatiable appetite of people who want to spend money. Look, I am all for fiscal restraint. We want to pay as you go. We want to make sure that every new program that we talk about, every new revenue initiative that we talk about is paid for. That is the way families do it. That is not the case with Republicans.

But when you talk about insatiable appetite, I can't help but think of your energy bill, which provides these incredible tax breaks and subsidies to oil companies that have never made more profits than they are right now, that are gouging American taxpayers at the pump, and you are giving them billions of dollars. Talk about insatiable appetite. Or the drug companies that can't provide our senior citizens a decent cost for prescription drugs and you are sending more and more subsidies and tax breaks and liability protections to these industries that, quite frankly, need to respect our citizens more.

So that is the kind of insatiable appetite that has gotten us into this mess, and we have had enough of it. We need new priorities; and I hope that my colleagues, again, will turn down this budget.

Mr. Speaker, I reserve the balance of my time.

Mr. PUTNAM. Mr. Speaker, I would remind my friend from Massachusetts in the conversation about insatiable appetites that nearly every amendment offered by the Democratic minority on the Budget Committee spent more money. There was no amendment offered by the Democratic minority that changed the Tax Code in any way. In previous years they had sought to raise taxes. They have learned that lesson, that it does not fly with small business men and women across the America, that it is not particularly popular, and it is terrible economic policy to raise taxes. So they dropped that. But nearly every amendment offered in the committee markup was to spend more money and to pay for it using the mythical potential of what is called the "tax gap," which is the difference between taxes owed and taxes collected. That is money that may or may not appear based on an aggressive IRS. That was their pay-for to feed their insatiable appetite for more spending.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, let me just point out to the gentleman, in case he has not read it, the Democratic proposal actually balances the budget by 2012, which is something that the Republican budget does not do.

What we have a problem with is giving tax breaks to Donald Trump at a time when you are shortchanging veterans. We think those are misplaced priorities.

At this point I would like to yield 2 minutes to the gentleman from Florida (Mr. HASTINGS), my colleague on the Rules Committee.

Mr. HASTINGS of Florida. Mr. Speaker, I thank my colleague from



Massachusetts on the Rules Committee for yielding.

I heard my colleague from Florida (Mr. PUTNAM) talk about it being terrible economic policy. I am curious, does that mean terrible economic policy to balance the budget?

I also heard you in your comments say that the Democrats' budget is mythical. Well, let me tell you what is not mythical. When you make bad deficits worse, that simply is not mythical. The Republican budget resolution has no plan to bring the budget back to balance and, in fact, makes the deficit \$410 billion over 5 years, compared to current deficit estimates.

□ 1130

It calls for a mounting legacy of debt.

Since this administration took office, it has requested and the Congress has provided four increases in the statutory debt ceiling totaling \$3 trillion. Under this budget as proposed by the Republicans, the statutory debt by the year 2011, footnote there, the baby boomers hit at 2009, the statutory debt will increase by another \$2.3 trillion, for a total increase of \$5.3 trillion. It will leave the statutory debt at a record level of \$11.3 trillion. What part of that is mythical? What we are talking about is something that is going to destroy the economic base of this country.

This budget that the Democrats propose makes sure that this budget comes into balance. It does not cut, as does the Republican budget, funds for public health programs. It does not cut new money for transitional Medicaid assistance. The Republicans cut low-wage workers and vulnerable families. They cut nutrition assistance. They slash education, education, by \$2.2 billion. They cut veterans care by \$8.6 billion. It cuts budget functions that fund homeland security.

I am curious, what is the myth that you would perpetuate upon the public when we are about to go down the drain?

Mr. PUTNAM. Mr. Speaker, the myth is this: in your plan, you assume that the \$200 billion tax gap will magically appear tomorrow. If we knew where the \$200 billion was, we would find it now. You assume that the \$200 billion in uncollected taxes are available to be collected and then be spent under your budget plan the day your proposal passes. It wouldn't be uncollected if we knew where it was. It wouldn't be uncollected if we could go get it. Somebody has to go hassle these people to pay their taxes.

That is the myth. Does it need to be done? Absolutely. Should we close it? Absolutely. But that is a crap shoot. You will not have 100 percent collections of all income taxes due by the day that your bill passes, if it were to pass tomorrow. That is the myth.

You point out that our deficit is different than the CBO baseline. You are correct. The CBO baseline assumes, and

your budget assumes, that you will allow the tax reforms that passed in 2001 and 2003 to expire. So capital gains taxes go up; dividend taxes go up; taxes on middle-income brackets go up; the 10 percent bracket disappears; AMT relief, no action.

You allow those things to expire. The CBO assumes those things will expire. We assume they will stay in place because we believe that those are the drivers of the economic engine that is giving this country 4.8 percent unemployment, which is lower than the average of the 1970s, the 1980s and the 1990s. It is what allows this government to collect 15 percent more revenues, more money from the taxpayers this year than last year, even though the tax rate is lower.

That is the difference. That is the myth. That is the problem with the competing budgets as ours stacks up against yours.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, let me just close by saying there are numerous reasons to oppose this budget. Education funding goes down, health care funding goes down, environmental protection money goes down, and I go on and on and on. But what particularly I find astounding is the way our veterans are being disrespected in this budget.

The gentleman mentioned before all these veterans groups that are thanking him for what they are doing. The fact of the matter is, I am hearing the opposite from every major veterans organization in this country. I have a letter here from the Disabled Veterans of America asking us to end the cycle of the constant cutting of benefits, that people right now are waiting in lines. And we have more veterans that are going to be produced as a result of this war in Iraq and Afghanistan.

I have been to Iraq, and I have seen those men and women serving our country. I have a disagreement with our policy, but they are doing an incredible job. And you on the majority are doing a disservice to these veterans by not providing the necessary funding not only to meet the needs of the veterans that currently exist, but you don't even account for the veterans, the thousands of veterans, that will be produced as a result of this war. It is wrong, it is immoral for us to pass a budget that doesn't respect our veterans.

Vote "no" on this budget. Vote "yes" for the Spratt substitute.

Mr. PUTNAM. Mr. Speaker, it has been a good debate. We have 4 more hours to go. We need to pass this rule.

The gentleman has grabbed the veterans issue by the horns, and appropriately so. We will stand by our veterans funding. It is a 4 percent increase in an era when the rest of the budget is assumed to be reduced by a tenth of a point.

This is a two-step process, and the gentleman knows it. The budget lays out the fences, the appropriations proc-

ess decides what is spent within those fences. We have doubled spending per veteran, not spending on veterans, spending per veteran in the last 10 years. We have doubled spending on veterans medical care. These are issues that are hugely important.

I am proud of the way this debate has been conducted, because this budget lays out the competing visions for America, one that inspires economic growth through sensible tax policies, and one that wants to spend, spend, and spend some more based on the myth of the tax gap collections that would miraculously appear tomorrow under the Democrats' proposal.

Mr. Speaker, I yield back the balance of my time, I move the previous question on the resolution and urge the adoption of this rule.

The SPEAKER pro tempore (Mr. BONILLA). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCGOVERN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 226, nays 199, not voting 7, as follows:

[Roll No. 91]

YEAS—226

Aderholt	Chocola	Gingrey
Akin	Coble	Gohmert
Alexander	Cole (OK)	Goode
Bachus	Conaway	Goodlatte
Baker	Cubin	Granger
Barrett (SC)	Culberson	Graves
Bartlett (MD)	Davis (KY)	Green (WI)
Barton (TX)	Davis, Jo Ann	Gutknecht
Bass	Davis, Tom	Hall
Beauprez	Deal (GA)	Harris
Biggert	DeLay	Hart
Bilirakis	Dent	Hastings (WA)
Bishop (UT)	Diaz-Balart, L.	Hayworth
Blackburn	Diaz-Balart, M.	Hefley
Blunt	Doolittle	Hensarling
Boehlert	Drake	Herger
Boehner	Dreier	Hobson
Bonilla	Duncan	Hoekstra
Bonner	Ehlers	Hostetler
Bono	Emerson	Hulshof
Boozman	English (PA)	Hunter
Boustany	Everett	Hyde
Bradley (NH)	Feeney	Inglis (SC)
Brady (TX)	Ferguson	Issa
Brown (SC)	Fitzpatrick (PA)	Istook
Brown-Waite,	Flake	Jenkins
Ginny	Foley	Jindal
Burgess	Forbes	Johnson (CT)
Burton (IN)	Fortenberry	Johnson (IL)
Buyer	Fossella	Johnson, Sam
Calvert	Fox	Jones (NC)
Camp (MI)	Franks (AZ)	Keller
Campbell (CA)	Frelinghuysen	Kelly
Cannon	Gallely	Kennedy (MN)
Cantor	Garrett (NJ)	King (IA)
Capito	Gerlach	King (NY)
Carter	Gibbons	Kingston
Castle	Gilchrest	Kirk
Chabot	Gillmor	Kline

Knollenberg  
Kolbe  
Kuhl (NY)  
LaHood  
Latham  
LaTourette  
Leach  
Lewis (CA)  
Lewis (KY)  
Linder  
LoBiondo  
Lucas  
Lungren, Daniel E.  
Mack  
Manzullo  
Marchant  
McCaul (TX)  
McCotter  
McCrery  
McHenry  
McHugh  
McKeon  
McMorris  
Mica  
Miller (FL)  
Miller (MI)  
Miller, Gary  
Moran (KS)  
Murphy  
Muggrave  
Myrick  
Neugebauer  
Ney  
Northup  
Norwood  
Nunes

## NAYS—199

Abercrombie  
Ackerman  
Allen  
Andrews  
Baca  
Baird  
Baldwin  
Barrow  
Bean  
Becerra  
Berkley  
Berman  
Berry  
Bishop (GA)  
Bishop (NY)  
Blumenauer  
Boren  
Boswell  
Boucher  
Boyd  
Brady (PA)  
Brown (OH)  
Brown, Corrine  
Butterfield  
Capps  
Capuano  
Cardin  
Cardoza  
Carnahan  
Carson  
Case  
Chandler  
Clay  
Cleaver  
Clyburn  
Conyers  
Cooper  
Costa  
Costello  
Cramer  
Crowley  
Cuellar  
Cummings  
Davis (AL)  
Davis (CA)  
Davis (FL)  
Davis (IL)  
Davis (TN)  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Dicks  
Dingell  
Doggett  
Doyle  
Edwards  
Emanuel  
Engel  
Eshoo

Nussle  
Osborne  
Otter  
Oxley  
Paul  
Pearce  
Pence  
Peterson (PA)  
Petri  
Pickering  
Pitts  
Platts  
Poe  
Pombo  
Porter  
Pryce (OH)  
Putnam  
Radanovich  
Ramstad  
Regula  
Rehberg  
Reichert  
Renzi  
Reynolds  
Rogers (AL)  
Rogers (KY)  
Rogers (MI)  
Rohrabacher  
Ros-Lehtinen  
Royce  
Ryan (WI)  
Ryun (KS)  
Saxton  
Schmidt  
Schwarz (MI)  
Sensenbrenner  
Sessions

Shadegg  
Shaw  
Shays  
Sherwood  
Shimkus  
Shuster  
Simmons  
Simpson  
Smith (TX)  
Sodrel  
Souder  
Stearns  
Sullivan  
Sweeney  
Tancredo  
Taylor (NC)  
Terry  
Thomas  
Thornberry  
Tiahrt  
Tiberi  
Turner  
Upton  
Walden (OR)  
Walsh  
Wamp  
Weldon (FL)  
Weldon (PA)  
Weller  
Westmoreland  
Whitfield  
Wicker  
Wilson (NM)  
Wilson (SC)  
Wolf  
Young (AK)  
Young (FL)

Strickland  
Stupak  
Tauscher  
Taylor (MS)  
Thompson (CA)  
Thompson (MS)  
Tierney  
Towns

Crenshaw  
Evans  
Hayes

Udall (CO)  
Udall (NM)  
Van Hollen  
Velázquez  
Visclosky  
Wasserman  
Schultz  
Waters

## NOT VOTING—7

Price (GA)  
Smith (NJ)  
Tanner

Watt  
Waxman  
Weiner  
Wexler  
Woolsey  
Wu  
Wynn

Watson

Myrick  
Neugebauer  
Ney  
Northup  
Norwood  
Nunes  
Nussle  
Osborne  
Otter  
Oxley  
Paul  
Pearce  
Pence  
Peterson (PA)  
Petri  
Pickering  
Pitts  
Platts  
Poe  
Pombo  
Porter  
Pryce (OH)  
Putnam  
Radanovich  
Ramstad  
Regula  
Rehberg

Reichert  
Renzi  
Reynolds  
Rogers (AL)  
Rogers (KY)  
Rogers (MI)  
Rohrabacher  
Ros-Lehtinen  
Royce  
Ryan (WI)  
Ryun (KS)  
Saxton  
Schmidt  
Schwarz (MI)  
Sensenbrenner  
Sessions  
Shadegg  
Shaw  
Shays  
Sherwood  
Shimkus  
Shuster  
Simmons  
Simpson  
Smith (TX)  
Sodrel  
Souder

## NOES—196

Abercrombie  
Allen  
Andrews  
Baca  
Baird  
Baldwin  
Barrow  
Bean  
Becerra  
Berkley  
Berman  
Berry  
Bishop (GA)  
Bishop (NY)  
Blumenauer  
Boren  
Boswell  
Boucher  
Boyd  
Brady (PA)  
Brown (OH)  
Brown, Corrine  
Butterfield  
Capps  
Capuano  
Cardin  
Cardoza  
Carnahan  
Carson  
Case  
Chandler  
Clay  
Cleaver  
Clyburn  
Conyers  
Cooper  
Costa  
Costello  
Cramer  
Crowley  
Cuellar  
Cummings  
Davis (AL)  
Davis (CA)  
Davis (FL)  
Davis (IL)  
Davis (TN)  
DeFazio  
DeGette  
Delahunt  
DeLauro  
Dicks  
Dingell  
Doggett  
Doyle  
Edwards  
Emanuel  
Engel  
Eshoo  
Etheridge  
Farr  
Fattah  
Filner  
Ford  
Frank (MA)  
Gonzalez  
Gordon

Green, Al  
Green, Gene  
Grijalva  
Gutierrez  
Harman  
Hastings (FL)  
Herseth  
Higgins  
Hinchey  
Hinojosa  
Holden  
Holt  
Honda  
Hooley  
Hoyer  
Inslee  
Israel  
Jackson-Lee  
(TX)  
Jefferson  
Johnson, E. B.  
Jones (OH)  
Kanjorski  
Kaptur  
Kennedy (RI)  
Kildee  
Kilpatrick (MI)  
Kind  
Kucinich  
Langevin  
Lantos  
Larsen (WA)  
Larson (CT)  
Lee  
Levin  
Lipinski  
Lofgren, Zoe  
Lowey  
Lynch  
Maloney  
Markey  
Marshall  
Matheson  
Matsui  
McCarthy  
McCollum (MN)  
McDermott  
McGovern  
McIntyre  
McKinney  
McNulty  
Meehan  
Meek (FL)  
Meeks (NY)  
Melancon  
Michaud  
Millender-  
McDonald  
Miller (NC)  
Miller, George  
Mollohan  
Moore (KS)  
Moore (WI)  
Moran (VA)  
Murtha  
Nadler  
Napolitano

Stearns  
Sullivan  
Sweeney  
Tancredo  
Taylor (NC)  
Terry  
Thomas  
Thornberry  
Tiahrt  
Tiberi  
Turner  
Upton  
Walden (OR)  
Walsh  
Wamp  
Weldon (FL)  
Weldon (PA)  
Weller  
Westmoreland  
Whitfield  
Wicker  
Wilson (NM)  
Wilson (SC)  
Wolf  
Young (AK)  
Young (FL)

Neal (MA)  
Oberstar  
Obey  
Olver  
Ortiz  
Owens  
Pallone  
Pascarelli  
Pastor  
Payne  
Pelosi  
Peterson (MN)  
Pomeroy  
Price (NC)  
Rahall  
Rangel  
Reyes  
Ross  
Rothman  
Roybal-Allard  
Ruppersberger  
Rush  
Ryan (OH)  
Sabo  
Salazar  
Sánchez, Linda T.  
Sanchez, Loretta  
Sanders  
Schakowsky  
Schiff  
Schwartz (PA)  
Scott (GA)  
Scott (VA)  
Serrano  
Sherman  
Skelton  
Slaughter  
Smith (WA)  
Snyder  
Solis  
Spratt  
Stark  
Strickland  
Stupak  
Tauscher  
Taylor (MS)  
Thompson (CA)  
Thompson (MS)  
Tierney  
Towns  
Udall (CO)  
Udall (NM)  
Van Hollen  
Velázquez  
Visclosky  
Wasserman  
Schultz  
Waters  
Watt  
Waxman  
Weiner  
Wexler  
Woolsey  
Wu  
Wynn

□ 1159

Messrs. McDERMOTT, RUPPERSBERGER, FORD and KENNEDY of Rhode Island changed their vote from “yea” to “nay.”

Mr. LEWIS of California and Mr. HALL changed their vote from “nay” to “yea.”

So the previous question was ordered. The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

## RECORDED VOTE

Mr. McGOVERN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 225, noes 196, not voting 11, as follows:

[Roll No. 92]

## AYES—225

Aderholt  
Akin  
Alexander  
Bachus  
Baker  
Barrett (SC)  
Bartlett (MD)  
Barton (TX)  
Bass  
Beauprez  
Biggert  
Bilirakis  
Bishop (UT)  
Blackburn  
Blunt  
Boehlert  
Boehner  
Bonilla  
Bonner  
Bono  
Boozman  
Boustany  
Bradley (NH)  
Brady (TX)  
Brown (SC)  
Brown-Waite,  
Ginny  
Burgess  
Burton (IN)  
Buyer  
Calvert  
Camp (MI)  
Campbell (CA)  
Cannon  
Cantor  
Capito  
Carter  
Castle  
Chabot  
Chocoma  
Coble  
Cole (OK)  
Conaway  
Cubin  
Culberson  
Davis (KY)  
Davis, Jo Ann  
Davis, Tom  
Deal (GA)

DeLay  
Dent  
Diaz-Balart, L.  
Diaz-Balart, M.  
Doolittle  
Drake  
Dreier  
Duncan  
Ehlers  
Emerson  
English (PA)  
Everett  
Feeney  
Ferguson  
Fitzpatrick (PA)  
Flake  
Foley  
Forbes  
Fortenberry  
Fossella  
Fox  
Franks (AZ)  
Frelinghuysen  
Gallegly  
Garrett (NJ)  
Gerlach  
Gibbons  
Gilchrest  
Gillmor  
Gingrey  
Goode  
Goodlatte  
Granger  
Graves  
Green (WI)  
Gutknecht  
Hall  
Harris  
Hart  
Hastings (WA)  
Hayworth  
Hefley  
Hensarling  
Herger  
Hobson  
Hoekstra  
Hostettler  
Hulshof  
Hunter

Hyde  
Inglis (SC)  
Issa  
Istook  
Jackson (IL)  
Jenkins  
Jindal  
Johnson (CT)  
Johnson (IL)  
Johnson, Sam  
Jones (NC)  
Keller  
Kelly  
Kennedy (MN)  
King (IA)  
King (NY)  
Kingston  
Kirk  
Kline  
Knollenberg  
Kolbe  
Kuhl (NY)  
LaHood  
LaTourette  
Leach  
Lewis (CA)  
Lewis (KY)  
Linder  
LoBiondo  
Lucas  
Lungren, Daniel E.  
Mack  
Manzullo  
Marchant  
McCaul (TX)  
McCotter  
McCrery  
McHenry  
McHugh  
McKeon  
McMorris  
Mica  
Miller (FL)  
Miller (MI)  
Miller, Gary  
Moran (KS)  
Murphy  
Musgrave

Hyde  
Inglis (SC)  
Issa  
Istook  
Jackson (IL)  
Jenkins  
Jindal  
Johnson (CT)  
Johnson (IL)  
Johnson, Sam  
Jones (NC)  
Keller  
Kelly  
Kennedy (MN)  
King (IA)  
King (NY)  
Kingston  
Kirk  
Kline  
Knollenberg  
Kolbe  
Kuhl (NY)  
LaHood  
LaTourette  
Leach  
Lewis (CA)  
Lewis (KY)  
Linder  
LoBiondo  
Lucas  
Lungren, Daniel E.  
Mack  
Manzullo  
Marchant  
McCaul (TX)  
McCotter  
McCrery  
McHenry  
McHugh  
McKeon  
McMorris  
Mica  
Miller (FL)  
Miller (MI)  
Miller, Gary  
Moran (KS)  
Murphy  
Musgrave

Green, Al  
Green, Gene  
Grijalva  
Gutierrez  
Harman  
Hastings (FL)  
Herseth  
Higgins  
Hinchey  
Hinojosa  
Holden  
Holt  
Honda  
Hooley  
Hoyer  
Inslee  
Israel  
Jackson-Lee  
(TX)  
Jefferson  
Johnson, E. B.  
Jones (OH)  
Kanjorski  
Kaptur  
Kennedy (RI)  
Kildee  
Kilpatrick (MI)  
Kind  
Kucinich  
Langevin  
Lantos  
Larsen (WA)  
Larson (CT)  
Lee  
Levin  
Lipinski  
Lofgren, Zoe  
Lowey  
Lynch  
Maloney  
Markey  
Marshall  
Matheson  
Matsui  
McCarthy  
McCollum (MN)  
McDermott  
McGovern  
McIntyre  
McKinney  
McNulty  
Meehan  
Meek (FL)  
Meeks (NY)  
Melancon  
Michaud  
Millender-  
McDonald  
Miller (NC)  
Miller, George  
Mollohan  
Moore (KS)  
Moore (WI)  
Moran (VA)  
Murtha  
Nadler  
Napolitano

## NOT VOTING—11

Ackerman	Hayes	Smith (NJ)
Crenshaw	Latham	Tanner
Evans	Lewis (GA)	Watson
Gohmert	Price (GA)	

□ 1206

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. LATHAM. Mr. Speaker, on rollcall No. 92. I was inadvertently detained. Had I been present, I would have voted "yes."

# EXPRESSING SINCERE REGRET ABOUT ENCOUNTER WITH CAPITOL HILL POLICE

(Ms. McKINNEY asked and was given permission to address the House for 1 minute.)

Ms. McKINNEY. Mr. Speaker, I come before this body to personally express again my sincere regret about the encounter with the Capitol Hill Police.

I appreciate my colleagues who are standing with me, who love this institution and who love this country.

There should not have been any physical contact in this incident.

I have always supported law enforcement and will be voting for H. Res. 756 expressing my gratitude and appreciation for the professionalism and dedication of the men and women of the U.S. Capitol Police.

I am sorry that this misunderstanding happened at all, I regret its escalation, and I apologize.

## GENERAL LEAVE

Mr. NUSSLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 376, which the House is about to consider.

The SPEAKER pro tempore (Mr. BONILLA). Is there objection to the request of the gentleman from Iowa?

There was no objection.

# CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2007

The SPEAKER pro tempore. Pursuant to House Resolution 766 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution, H. Con. Res. 376.

□ 1209

## IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 376) establishing the congressional budget for the United States Government for fiscal year 2007 and setting forth appropriate budg-

etary levels for fiscal years 2008 through 2011, with Mr. TERRY in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to the rule, the concurrent resolution is considered read the first time.

General debate shall not exceed 4 hours, with 3 hours confined to the congressional budget, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, and 1 hour on the subject of economic goals and policies, equally divided and controlled by the gentleman from New Jersey (Mr. SAXTON) and the gentlewoman from New York (Mrs. MALONEY).

The gentleman from New Jersey (Mr. SAXTON) and the gentlewoman from New York (Mrs. MALONEY) each will control 30 minutes on the subject of economic goals and policies.

The Chair recognizes the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, I yield myself such time as I may consume.

As you just indicated, the first hour of this budget debate has been set aside pursuant to the Humphrey-Hawkins section of the Budget Act. Under the rule, the Joint Economic Committee will have this hour evenly divided on two sides.

According to most neutral observers, including the Federal Reserve, and a consensus of private economists, the current economic expansion is quite healthy. That is good news. Indeed, if anything, there seems to be a little concern in most quarters that the economy may be growing too fast, a concern that I do not share.

The U.S. economy grew 4 percent in 2004 and advanced at a rate of about 3.5 percent in 2005. The growth rate in the first quarter of 2006 is expected to be very robust, probably over 4 percent, consistent with the trend of strong growth seen since 2003.

The improvement in economic growth is reflected in other economic figures as well. Let me name a few.

Since August of 2003, business payrolls have increased by 5 million jobs. The unemployment rate has declined to 4.8 percent. Consumer spending continues to grow. Homeownership has hit record highs. Household net worth has also reached a record high. Productivity growth continues at a healthy pace. Long-run inflation pressures appear to be contained. Long-term interest rates, including mortgage rates, are still relatively low, although somewhat higher than what they had been previously. The resilience and flexibility of the economy have overcome a number of serious shocks, most recently the hurricanes of last year. Equipment and software investment have been strong over this period. However, with somewhat higher mortgage rates, the housing sector is slowing, although it appears that a soft landing is most likely. It is clear that the Federal Reserve remains poised to keep inflation under control.

In a recent policy report to Congress, the Fed noted that the U.S. economy delivered a solid performance in 2005. Furthermore, the Fed observed that "the U.S. economy should continue to perform well in 2006 and 2007." The Fed, along with a number of private economists and government agencies, expects that economic growth in 2006 will be about 3.5 percent, still very healthy growth. This economic growth will continue to expand employment and further reduce unemployment.

In summary, overall economic conditions remain positive. The U.S. economy has displayed remarkable flexibility and resilience in dealing with the many shocks, including terrorist attacks and weather effects.

The administration forecast for economic growth in 2006 is comparable with those of the blue chip consensus and the Federal Reserve. With growth expected to be about 3.5 percent in 2006, the current economic situation is solid and the outlook remains favorable.

Mr. Chairman, I reserve the balance of my time.

Mrs. MALONEY. Mr. Chairman, I yield myself such time as I may consume.

(Mrs. MALONEY asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY. Mr. Chairman, I am pleased to speak in the time reserved by the Budget Act for discussion of economic goals and policies and traditionally led by members of the Joint Economic Committee.

If you listen to the President and his supporters on the other side of the aisle, you get a very upbeat assessment of the American economy; but if you listen to the American people, you get a very different assessment.

□ 1215

The President likes to talk about how fast the economy is growing and how successful his policies have been in stimulating an economic recovery from the 2001 recession. But the American people are saying, what economic recovery, and when am I going to see the benefits from this President's economic policies in my take-home pay, in my pocket?

Mr. Chairman, we should listen to the American people and we should adopt economic policies that promote the economic well-being of all Americans, not just those at the very top of the economic ladder. The President's fiscal year 2007 budget and the House budget resolution do not do that.

Instead, they continue economic policies that have produced a legacy of deficits and debt, that leaves us unprepared to deal with the budget challenges posed by the retirement of the baby boom generation and that weakens the future standard of living of our children and grandchildren.

This administration has set a series of records, only they are the wrong kind of records. They have raised the debt ceiling four times. It is now over